Grant Opportunity Guidelines

Support for Industry Service Organisations – National Association of Testing Authorities Grant

Commonwealth policy entity:	Department of Industry, Science, Energy and Resources
Administering entity	Department of Industry, Science, Energy and Resources
Enquiries:	If you have any questions, contact us on 13 28 46.
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Type of grant opportunity:	One off/ad-hoc

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1. About the program

The purpose of the Support for Industry Service Organisations (SISO) program is to improve the competitiveness of Australian industry by ensuring Australian membership of, and participation in, meetings of key international organisations in the areas of standards, conformance, laboratory accreditation and certification. It contributes to the achievement of the Department of Industry, Science, Energy and Resources Outcome 2 - Growing Business Investment and Improving Business Capability.

Through the SISO grants, the Australian Government provides financial support for two peak non-government organisations, Standards Australia and the National Association of Testing Authorities (NATA), to undertake national interest activities in international fora that have been identified and agreed between the Commonwealth and the organisations. The funding enables them to represent Australian interests. Each organisation also has a Memorandum of Understanding (MoU) with the Commonwealth which recognises their peak body status.

Improving Australia's economic productivity is a priority for the Australian Government. International representation and involvement by SISO organisations is a key market access and trade facilitation tool. In order to allow for goods exported from Australia to compete in global markets and for Australian industry to access competitively priced imports, it is important that Australian standards and conformity assessment procedures are aligned with Australia's commitments in Free Trade Agreements and international practices and do not present technical barriers to trade.

The objective of the grants is to:

 ensure Australian standards and conformity assessment procedures are aligned with Australia's commitments in Free Trade Agreements and international practices and do not present technical barriers to trade.

The intended outcomes of the grants are:

- improved competitiveness of Australian industry by ensuring Australian membership
 of, and participation in, meetings of key international organisations in the areas of
 standards, conformance, laboratory accreditation and certification; and
- systems and standards developed internationally are compatible with, and at times based on Australia's own systems and standards.
- 1.1. About the Support for Industry Service Organisations Program National Association of Testing Authorities grant opportunity

These guidelines contain information for the Support for Industry Service Organisations - National Association of Testing Authorities grant.

The Department of Industry, Science, Energy and Resources (the department/we) will administer the grant. We administer the grant according to the <u>Commonwealth Grants</u> Rules and <u>Guidelines</u> (CGRGs)¹.

¹ https://www.finance.gov.au/sites/default/files/commonwealth-grants-rules-and-guidelines.pdf

2. Grant amount and grant period

The grant will be an estimated \$5,880,000 (GST exclusive) provided over four years. You must complete your project by 30 June 2024. Estimated funding for each year is outlined below. Note that funding is adjusted according to periodic fluctuations in the value of indexation applied to the program.

Estimated SISO allocation (GST exclusive)	2020-21	2021-22	2022-23	2023-24
	(\$'000)	(\$'000)	(\$'000)	(\$'000)
NATA	1,429	1,453	1,483	1,515

3. Grant selection process

This grant opportunity is a one-off or ad hoc grant. The Department of Industry, Science, Energy and Resources considers this is an appropriate type of selection process considering the nature of the grant is specifically dependent on the technical knowledge of the identified recipient – National Association of Testing Authorities ABN 59 004 379 748.

National Association of Testing Authorities has been identified as the appropriate recipient because:

- it is one of Australia's peak technical bodies in the areas of standards, conformance, laboratory accreditation and certification, acknowledged by a Memorandum of Understanding (MoU) with the Commonwealth which recognises their peak body status
- it has a well-established record of delivering the same or similar activities
- it has the required technical expertise to undertake the activities
- the nature of the grant activity is specifically dependent on the expertise of National Association of Testing Authorities
- there are a limited number of service providers capable of delivering the project.

4. Eligible activities

To be eligible your project must:

- be aimed at supporting the program objectives and outcomes
- be consistent with the requirements of the MoU with the Commonwealth
- and include project activities that support the following key goals:
 - maintain membership and participate in meetings in the International Laboratory Accreditation Cooperation (ILAC)
 - maintain membership and participate in meetings in the Asia Pacific Accreditation Cooperation (APAC)

- participation in Mutual Recognition Arrangement (MRA) evaluations and related activities
- represent Australia's interests in relevant international standardisation activities related to conformance
- represent Australia's interests in the OECD Working Group on Good Laboratory
 Practice as the national compliance monitoring authority
- provide Technical Support for Government Free Trade Agreements & Mutual Recognition Arrangements; Liaise with Foreign Accreditation Bodies focussing on economies of Australia's major or emerging trade partners; Lead & Participate in Regional Technical fora & capacity building activities.
- other activities with public interest outcomes (as agreed).

To be eligible, expenditure must be:

- incurred by you within the project period
- a direct cost of the project
- incurred by you to undertake required project audit activities.

You must spend the funds only for the purposes of undertaking the project and purposes that are incidental to the Project.

Eligible expenditure items include:

- direct labour costs of employees you directly employ on the core elements of the project. We consider a person an employee when you pay them a regular salary or wage, out of which you make regular tax instalment deductions
- contract expenditure is the cost of any agreed project activities that you contract to others
- domestic travel limited to the reasonable cost of accommodation and transportation required to conduct agreed project activities in Australia
- overseas travel limited to the reasonable cost of accommodation and transportation in cases where representation at international meetings is appropriate, reasonable and relevant to the objectives and outcome of the activity
- membership costs of key international standardisation or conformance bodies
- the cost of an independent audit of project expenditure up to a maximum of 1 per cent of total eligible project expenditure
- other eligible expenditure as approved by the Program Delegate.

Not all expenditure on your project may be eligible for grant funding. The Program Delegate makes the final decision on what is eligible expenditure and may give additional guidance on eligible expenditure if required.

5. What you cannot use the grant for

You cannot use the grant for:

- routine operational expenses, including communications, accommodation, office computing facilities, printing and stationery, postage, legal and accounting fees and bank charges
- costs related to preparing the grant application, preparing any project reports (except costs of independent audit reports we require) and preparing any project variation requests
- on capital works or the acquisition of major equipment
- on expert advice that has been already provided or is available through government businesses or a government extension project.

6. Grant assessment

The grant is subject to an acceptable proposal that includes:

- contact name and position details
- project description
- project start and end date
- details of project activities that support key goals, and the identification of project milestones (or KPI's) related to each activity
- a project budget (split over financial years) that includes:
 - an indication that for each activity the amount of SISO funding requested it is consistent with the Productivity Commission's funding recommendations; or
 - justification where budgets vary from these recommendations for why all or part of the proposed activity should be funded by the Commonwealth
- identifying where SISO funding can best support the organisation in undertaking activities in the public interest to generate maximum benefit for Australian industry to provide value for money.

In assessing your proposal we will consider whether:

- it represents value with relevant money
- the proposal/project can be delivered on time and to budget (as identified in supporting documents)
- the proposal/project has been appropriately costed (the level and detail of the costing should be commensurate with the value of the project)
- the extent of international engagement
- any national interest priorities identified and discussed with the applicants.

7. Who will approve the grant?

A senior executive in the department will make the final decision to approve a grant.

The senior executive's decision is final in all matters, including:

- the approval of the grant
- the grant funding amount to be awarded
- any conditions attached to the grant.

The senior executive must not approve funding if they reasonably consider the program funding available across financial years will not accommodate the funding offer, and/or if the application does not represent value with money.

The Program Delegate, who is a manager within AusIndustry, will have responsibility for managing the grant opportunity.

The Program Delegate is responsible for ensuring the overall efficient and effective administration of the grant opportunity, including but not limited to undertaking the functions allocated to the Program Delegate in these guidelines, entering into a grant agreement on behalf of the Commonwealth and authorising payments of grant funds by the Commonwealth once spending decisions are made.

8. Notification of the grant

We will advise you of the outcome, following a decision by the senior executive. If you are successful, we will include details of any specific conditions attached to the grant.

8.1. The grant agreement

You must enter into a legally binding grant agreement with the Commonwealth. The grant agreement has general terms and conditions that cannot be changed.

We must execute a grant agreement with you before we can make any payments. Execute means both you and the Commonwealth have signed the agreement. We are not responsible for any expenditure you incur until a grant agreement is executed.

If you enter an agreement under this program, you cannot receive other grants for the same activities from other Commonwealth, State or Territory granting programs.

The Commonwealth may recover grant funds if there is a breach of the grant agreement.

You will have 30 days from the date of a written offer to execute this grant agreement with the Commonwealth. During this time, we will work with you to finalise details.

The offer may lapse if both parties do not sign the grant agreement within this time. Under certain circumstances, we may extend this period. We base the approval of your grant on the information you provide in your application. We will review any required changes to these details to ensure they do not impact the project as approved by the senior executive.

8.2. Project specific legislation, policies and industry standards

You must comply with all relevant laws and regulations in undertaking your project. You must also comply with the specific legislation/policies/industry standards that follow. It is a condition of the grant funding that you meet these requirements. We will include these requirements in your grant agreement.

In particular, you will be required to comply with:

State/Territory legislation in relation to working with children.

8.3. Tax obligations

If you are registered for the Goods and Services Tax (GST), where applicable we will add GST to your grant payment and provide you with a recipient created tax invoice. You are required to notify us if your GST registration status changes during the project period. GST does not apply to grant payments to government related entities².

Grants are assessable income for taxation purposes, unless exempted by a taxation law. We recommend you seek independent professional advice on your taxation obligations or seek assistance from the <u>Australian Taxation Office</u>. We do not provide advice on tax.

8.4. Grant acquittal, payment and reporting

We will make payments according to an agreed schedule set out in the grant agreement. Payments are subject to satisfactory progress on the project.

You must submit six monthly (half yearly) reports in line with the timeframes in the grant agreement. Sample questions are provided for these reports in the grant agreement.

You will be expected to report on:

- progress against agreed project milestones
- your and your project partners' contributions to the project
- eligible expenditure of grant monies.

You must also submit an annual independent audit report of all grant expenditure.

9. Announcement of the grant

We will list your grant on the <u>GrantConnect</u> website within 21 days of the date of effect as required by Section 5 of the CGRGs.

10. Grant evaluation

The Department of Industry, Science, Energy and Resources will evaluate the grant to measure how well the outcomes and objectives have been achieved.

² See Australian Taxation Office ruling GSTR 2012/2 available at ato.gov.au